

Senate will be in a period of morning business for 1 hour, with Senators permitted to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from Nebraska is recognized.

Mr. JOHANNIS. Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

U.N. STATEHOOD EFFORTS

Mr. JOHANNIS. Mr. President, I rise today to address the Palestinian efforts to gain statehood at the United Nations, which is occurring this week. As most of us are aware, Palestinian Authority President Abbas has signaled that he intends to ask the United Nations for acceptance as a full member state. Several of my colleagues—and I might add from both sides of the aisle—have expressed grave concern over this Palestinian initiative.

President Obama has indicated if this initiative is brought to a vote before the Security Council, the United States plans to veto it. I support that. However, even if the veto occurs, President Abbas may then choose to ask the General Assembly to upgrade Palestinian status to that of a nonvoting observer state. If allowed to become a nonvoting observer state, Palestinians could then participate on U.N. committees and bring allegations against Israel to the International Criminal Court and International Court of Justice. Recognizing a Palestinian state in this manner could also lead to further isolation of Israel within the Middle East. These are outcomes we simply cannot tolerate.

Israel, beyond any shadow of a doubt, is a stalwart friend and ally of the United States. They share our core values as a nation. They are a thriving democracy in a part of the world where democracies are very hard to find. And importantly, they stand strong with us in the battle against international terrorism. Thus, it is absolutely imperative we stand with Israel and do everything we can to send a very clear and straightforward message. That message is this: The United States stands with our friends and we will not allow an international organization to undermine this important and valued friend.

Congress has been very clear on this imperative. Our strong bipartisan commitment was reinforced earlier this summer when both the Senate and the House of Representatives overwhelmingly passed resolutions reaffirming the commitment of the United States to direct negotiations between the Israelis and the Palestinians. The resolutions included opposition to this Palestinian bid for U.N. statehood in a Palestinian Government that includes Hamas.

In light of this unwavering bipartisan support from Congress, it is crucial

that our President continue to make it absolutely clear that the United States stands firm in our opposition to this effort. We have an opportunity and we must signal to the rest of the world that a lasting peace, which we all want to achieve, will only result from direct negotiations between the Israelis and the Palestinians and not through parliamentary procedure at some international organization. While the United States supports a two-state solution, we will not tolerate actions by international organizations to drive a wedge into the Israeli-Palestinian peace process. Although President Abbas claims his initiative is a peaceful approach to resolving the conflict, the Palestinian Authority has refused time and time again to come to the negotiating table and to deal directly with Israel. Setting up roadblock after roadblock, President Abbas has demanded preconditions that have not applied to previous negotiations.

This bid for U.N. statehood also violates the 1993 Oslo peace agreements signed by the Palestinian Authority which required the peace process to continue through direct negotiations. The U.N. statehood bid is counterproductive to a two-state solution as it will further damage Israel's confidence in the Palestinian Authority as a legitimate negotiating partner. Unfortunately, President Abbas's intention to form a unity government with Hamas does not signal support or pursuit of a lasting peace. Hamas has made clear that they have no intention of ending attacks on Palestinians or Israelis and working toward a two-state solution.

Let me be very clear: If the Palestinian Authority continues to associate with Hamas and refuses to negotiate directly with Israel, of course there are consequences. I can assure you the Senate and the House of Representatives will stand together to make our disapproval known. U.S. aid to the Palestinian Authority is not on cruise control. Congress will not walk away from supporting an appropriate way forward in the peace process that respects the equal and inalienable rights of all people. We will not and cannot stand idly by while others attempt to use the United Nations, not to bring about peace, but to undermine our closest allies and friends.

As President Obama and his administration continue efforts to resolve this issue before it is brought up to the Security Council, I ask them to do all they can to relay the disapproval of Congress and what President Abbas is trying to do and to stand without equivocation, shoulder to shoulder, with our friend, the state of Israel. It is our best chance of bringing peace to the region.

I yield the floor and note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I would like to speak for 5 or 10 minutes, and my understanding is we may still be in the Republican time, but they have allowed me to speak now.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 1606 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. PRYOR. Mr. President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MEDICARE

Mr. NELSON of Florida. Mr. President, I wanted to call to the attention of the Senate the aftermath of having passed the health care reform bill. There was a great deal of consternation at the time, while we were deliberating, that Medicare was going to be cut. We will recall that \$500 billion was cut out of Medicare over the course of a 10-year period, and the amount that was being cut was considered to be a threat to Medicare.

As a matter of fact, when we passed it, the Medicare cuts came from providers—often providers that stepped up and offered to have greater efficiencies and therefore Medicare savings over the decade. For example, the hospitals of America came forth and said that we will save \$150 billion. So one of the considerations in Medicare was that we were going to have to lean out the Medicare HMO Program called Medicare Advantage.

If we will recall, back in 2003 when we passed the prescription drug bill, Medicare Advantage—the Medicare HMO—was actually given a bump up in Medicare reimbursement, some 14 percent over and above Medicare fee for service. As a result, people had the great incentive to go into a Medicare HMO because the insurance companies—the HMOs—were getting so much more per Medicare beneficiary. But the fact is, we saw, on a long, projected basis over time that it was going to be unsustainable financially for the U.S. Government to keep giving a 14-percent differential to insurance companies over what the average Medicare recipient would get in Medicare fee for service.

That was one of the reforms of the health care bill—to take that 14-percent differential and lean it down over